

## Agriculture by Willian Engdahl

### U.S.-Europe food war—*cui bono?*

*Behind the orchestrated conflict over agriculture subsidies, is a genocidal food reduction plan.*

While blaming each other for protectionism, the United States and Europe are deliberately implementing policies to shut down farms and reduce food output. Derwent Renshaw, first secretary of agriculture for the Delegation of European Communities, came to the United States early in May, and said as much, though in polite doublespeak. He told a group in Illinois called Chicago Farmers, "We are both trying to do something about [surpluses]. . . . The day of unlimited price guarantees is over."

Renshaw refers to the current proposals in Brussels, to impose an overall EC-wide zero increase in the prices package for agricultural commodities for the next budget year within the Community. Under this plan, while certain minor commodities will have a slight increase in allowed price, grain—the heart of EC farm production—would take a 3.6% price cut. This will reduce farm income to the same point of bankruptcies now sweeping the U.S. farm belt.

At the time of writing, the Bonn government is resisting this farm price austerity proposal, on behalf of the beleaguered German farmers who still remain in operation after thousands of their fellow producers went under during the last year due to cutback policies in milk and other production.

These EC price-cut proposals are the counterparts of the U.S. administration proposals to phase out farm price supports and supposedly gain by being more competitive against the EC and other food exporters. Several var-

ious versions of such bills are in Congress now, awaiting final writing into the new 1985 farm law. One bill—supposedly in opposition to the administration approach—calls for U.S. farmers to take a vote on how much they will reduce output, and then enforce mandatory production reduction. Supposedly by creating shortages, farmers are to then get a higher, more "fair" price. This bill is the program of Texas Agriculture Commissioner James Hightower, who is associated with the Washington, D.C.-based Soviet interface group, the Institute for Policy Studies.

What more would the Soviet Union want, than for the United States and the EC to slash its food output capacity in grains, meat, and milk? Yet this is exactly what is happening. Recent statistics released by the United Nations—which typically understates such matters—show that world food output is shrinking, relative to population requirements.

According to the U.N. report released in Nairobi in May, "Worldwide the rate of growth of agricultural output was 3.1% a year in the 1950s; 2.6% in the 1960s; 2.2% in the 1970s," and Africa way under that.

Driving farmers out of operation, and cutting the output of those still producing, automatically reduces precious world food resources—especially animal protein provisions—by a relatively huge amount. The United States and Europe together, for example, account for 40% of the world's milk output. The United States alone

accounts for 50% of the world's feed-corn, and 60% of soybean production. When these capabilities are shut down, worldwide famine is assured.

Implemented in tandem, European Community and U.S. federal policies cut milk output in 1984 by 2-4% overall in their respective nations. Milk deliveries to dairies in Germany in the first three months of 1985 are down by 11% over last year, and that is *before* the EC quota reduction began.

Because the impact of any farm product support price cut will hit Germany harder than France or other EC nations—due to an extremely byzantine set of regulatory price mechanisms based on the apparent strength of the mark over other currencies (the Monetary Compensation Agreements)—German farmers are exerting strong political pressure against the Brussels price reduction plan. German farmers are the second largest EC grain producers, placing second after France, and virtually equal to the U.K. They harvested 26 million tons of grains last year out of an EC total 147 million ton grain harvest.

Behind the salvos in the food trade war between the United States and the European Community (EC), you will find the real casualties in this "war." Farmers in Europe and the United States alike are being deliberately bankrupted or driven out of production in the name of "becoming more competitive" to "retain overseas markets." In the process, the food supplies of the West are being permanently reduced.

Laughing on the sidelines at the suckers who fall for the trade warfare ploys, the Swiss-centered international food cartels are watching the destruction of farms, just as the observers enjoyed the bloodshed of cabinet warfare battles in the 18th century. All the while, 60,000 people a day starve in Africa.